

Description	Content
Registration number issued by the registry of the Commission:	
1. INFORMATION ABOUT THE ISSUER	
Full and short company name	Bosnalijek, pharmaceutical and chemical industries, a joint stock company
Full address (postal code, city, street and number)	Jukićeva 53, 71000 Sarajevo
Telephone and fax	tel. 033/664-970 fax. 033/664-971
E-mail	info@bosnalijek.ba
Web site	www.bosnalijek.ba
Core business	Production and sales of pharmaceutical products
Number of employees	535
Number of business units and representative offices	3 offices in BiH, 2 companies abroad, 9 missions abroad, and 8 representatives abroad
External auditor name and headquarters	Deloitte, Sarajevo
Indication of whether the financial statements for the period are audited by external auditor	Yes
Board members of external auditor	
2. SUPERVISORY BOARD AND MANAGEMENT BOARD	
President and members of the Supervisory Board	Hasan Muratović - President; Rifat Klopić - member; Ljunora Mavrić - member; Abdul Umid Šalaka - member; Midhat Vehabović - member
Names and functions of Management Board	Edin Arslanagić - Manager; Akif Mujezin - Executive Director; Šefik Handžić - Executive Director; Ljiljana Kamberović - Executive Director
Number of shares which members of the supervisory and management board own and it's participation in the total amount of shares in the capital	
3. STOCK DATA AND SHAREHOLDERS	
Total number of shareholders at the end of reporting period (number of issued shares and the nominal price per share at the end of reporting period)	Number of shares: 5.628.161; Nominal value: 10,00 KM
Name of each person that owns more than 5% of shares with voting rights at the end of the reporting period	FBiH - 29,8%; International Finance Corporation USA - 12,52%; PIF BIG DD 5,0%
4. INFORMATION ON LEGAL ENTITIES OWNED BY THE COMPANY	
the end of the reporting period	
5. DATA ON GENERAL MEETING OF THE SHAREHOLDERS DURING THE REPORTING PERIOD	
Date and place	
Agenda	
Important decisions made at the meeting	
6. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD	
of securities in the reporting period;	
Information on assets transactions in the extent greater than 10% of the total assets of the company	
Information on the reduction or increase in assets by more than 10% in comparison to the previous year report	
Information on the reduction or increase in net profit or loss by more than 10% in comparison to the previous year report	

In Sarajevo on 01.03..2006.

Report compiled by:

Nedim Vilogorac

Director of Issuer:

Edin Arslanagić

Issuer: *Bosnalijek d.d.*
INCOME STATEMENT

Form *OEI-PD*

Table *B*

For the period:

01.01.2005.-31.12.2005.

In '000 KM

<i>Description</i>	<i>Previous period</i>	<i>Current period</i>
Sales income	69.297	82.210
Expenses for the sold	(27.371)	(32.244)
Gross profit (loss)	41.926	49.966
Distribution expenses		
Expenses of management and administration	(30.701)	(35.337)
Other operating expenses		
Profit (loss) from operating activities	11.225	14.629
Net income/expense in the profit share of associated companies		
Net income/expense from investments in other affiliates		
Net financial income/expense, including interest expenses	(1.821)	(3.177)
Net income/expense from changes in value of fixed assets		
Net income/expense from the sale of fixed assets		
Net other income/expense	(1.829)	(3.849)
Profit (loss) before taxes	7.575	7.603
Income tax		
Net profit (loss) for the period	7.575	7.603

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Description	Previous period	Current period
ASSETS		
A. SUBSCRIBED UNPAID CAPITAL		
B. NON-CURRENT ASSETS	75.360	99.652
Non-current intangible fixed assets	1.449	2.801
Real estate, facilities and equipment	72.943	95.944
Biological assets		
Other non-current tangible assets		
Long-term financial investment and loans		
Long-term receivables	968	907
Real estate investment		
Assets classified as assets intended for trade		
Non-current prepayment and accrued income		
C. CURRENT ASSETS	46.157	45.854
Stocks	17.202	15.432
Trade receivables	24.885	25.930
Other current receivables	3.146	2.702
Current financial placements		
Cash and cash equivalents	924	1.694
Accruals		96
D. LOSS ABOVE THE VALUE OF CAPITAL		
TOTAL ASSETS	121.517	145.506
Off- balance records		
EQUITY AND LIABILITIES		
A. EQUITY	77.504	83.912
Shareholders equity	51.116	51.116
Sharehold premium		
Revalued and transferred reserves	10.027	16.333
Other reserves		
Retained earnings	16.361	16.463
Retained losses		
Treasury shares		
B. NON-CURRENT LIABILITIES	10.245	14.387
Non-current financial liabilities	10.045	13.714
Non-current prepayments and provisions for liabilities and charges	200	673
Non-current liabilities classified in the group with assets intended for trade		
C. CURRENT LIABILITIES	33.768	47.207
Current financial liabilities	17.686	30.486
Liabilities toward suppliers and other liabilities	16.082	16.675
Current liabilities classified in the group with assets intended for trade		
Deffered income		46
TOTAL EQUITY AND LIABILITIES	121.517	145.506
Off-balance records		

In Sarajevo on 01.03..2006.Report compiled by:
Nedim VilogoracDirector of Issuer:
Edin Arslanagić

On: **31.12.2005.**

In '000 KM

<i>Description</i>	<i>Mark</i>	<i>Previous period</i>	<i>Current period</i>
Cash flow from operating activities			
Net income (loss)		7.575	7.651
Adjustment for:			
Amortization/value adjustment of intangible assets	+	105	454
Losses (gains) on intangible assets	+/-	10	1.347
Amortization/value adjustment of tangible assets	+	6.946	8.254
Losses (gains) on tangible assets	+/-	(1)	2.527
Adjustment based on financial fixed assets	+/-	(10)	357
Exchange rate differences	+/-		
Other adjustments for non-cash items and trends relating to investment and financing activities	+/-	2.134	(8)
Total		9.184	12.931
Inventories decrease (increase)	+/-	(3.893)	(408)
Trade receivables decrease (increase)	+/-	(5.635)	(1.390)
Other receivables decrease (increase)	+/-	(146)	770
Decrease (increase) of accruals	+/-		(361)
Increase (decrease) in accounts payable	+/-	4.218	11.391
Increase (decrease) of other liabilities	+/-	(707)	84
Increase (decrease) of deffered income	+/-	105	
Total		(6.058)	10.086
A. Net cash flow from operating activities		10.701	30.668
Cash flow from investment activities			
Acquisition (sale) of fixed intangible assets	-/+	(889)	(1.806)
Acquisition (sale) of fixed tangible assets	-/+	(20.335)	(43.752)
Acquisition (sale) of shares in subsidiarys	-/+		
Acquisition (sale) of shares in associated companies	-/+		
Given loans (repayment of loans) to companies in the group	-/+		
Given loans (repayment of loans) to other related companies	-/+		
Acquisition (sale) of other investments	-/+	59	588
Given loans (repayment of loans) to other companies	-/+		
Other cash flows from investing activities	-/+		8
B. Net cash flow from investment activities		(21.165)	(44.962)
Cash flow from financing activities			
Gain from issuance of shares and other forms of capital increase	+		
Purchase of shares and other forms of capital	-		
Acquisition (sale) of treasury shares	-/+		
Received borrowed funds	+	10.452	6.858
Return of borrowed funds	-		8.135
Dividends paid	-		
Other cash flows from financing activities	-/+		71
C. Net cash flow from financing activities		10.452	15.064
Net increase (decrease) in cash and cash equivalents (A+B+C)		(12)	770
Cash on the start of the period		936	924
Cash at the end of period		924	1.694
Difference		(12)	770

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Nedim Vilogorac

Director of Issuer:

Edin Arslanagic

Description	Shareholders equity	Sharehold premium	Revalued and transferred resrves	Other reserves	Retained earnings	Retained losses	Proprietary share	Total
Balance on 31.12.2003.	48.965			1.756	17.057			67.778
Effects of changes in accounting policy and corrections of errors								
Again Balance on 31.12.2003. or on 01.01.2004.	48.965			1.756	17.057			67.778
Effects of revaluation of tangible and intangible assets	2.151							2.151
Effects of revaluation of long-term financial investments								
Exchange differences								
Other gains/losses of the period which are not included in the income statement								
Transfer (from) on								
Net profit/loss period expressed in the income statement				8.271	(8.271)			
Dividends and other forms of profit distribution and loss coverage					7.575			7.575
Issue of shares and other forms of capital increase or reduction of capital								
Balance on 31.12.2004.	51.116			10.027	16.361			77.504
Effects of changes in accounting policy and corrections of errors								
Again Balance on 31.12.2004. or on 01.01.2005.	51.116			10.027	16.361			77.504
Effects of revaluation of tangible and intangible assets								
Effects of revaluation of long-term financial investments								
Exchange differences								
Other gains/losses of the period which are not included in the income statement								
Transfer (from) on								
Net profit/loss period expressed in the income statement				6.306	(6.306)			
Dividends and other forms of profit distribution and loss coverage					7.603			7.603
Issue of shares and other forms of capital increase or reduction of capital								
Balance on 31.12.2005.	51.116			16.333	17.658			85.107

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